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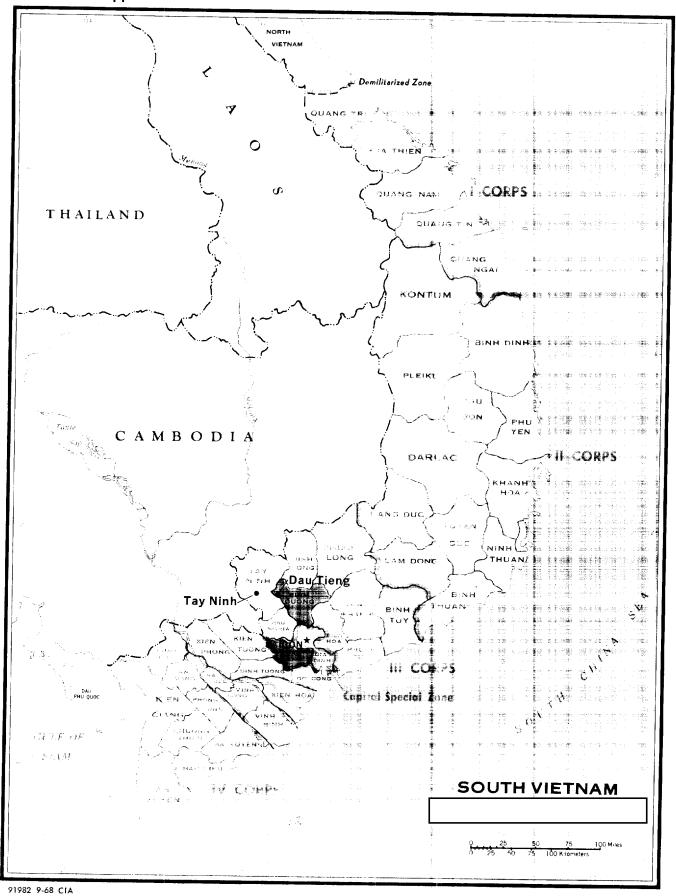
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South Vietnam: A Communist assault on Tay Ninh city highlighted an upsurge of enemy activity in III Corps on 10-11 September.

The attack on Tay Ninh began early on 11 September with the heavy shelling of a US fire support base near the city accompanied by ground attacks against three South Vietnamese paramilitary outposts along key approach routes to the capital.

Later, an estimated two Communist battalions, probably of the Viet Cong Ninth Division, attacked the city. Several enemy companies penetrated the city's environs where scattered fighting is still in progress.

In Binh Duong Province, elements of possibly the Viet Cong Fifth Division's 33rd Regiment conducted an abortive ground attack on 11 September against US night defensive positions three miles southwest of Dau Tieng. The attacking force lost 95 killed while US casualties were six killed and 22 wounded. In Long An Province on 10 September five US Army companies engaged an estimated Viet Cong battalion, killing 48. US casualties were three killed and eight wounded in that battle.

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Czechoslovakia-USSR: Czechoslovak leaders have re-endorsed Dubcek's liberal reform program, but appear ready to legislate the restrictions demanded by the Soviets in Moscow.

The government issued a proclamation on 10 September couched in terms of the Action Program, but warned the people that they must obey Czechoslovak laws, including the restrictive measures about to be introduced. Most parliamentary committees met yesterday to prepare the new legislation, which, according to a press report, will be ratified by the National Assembly on 13 September.

Premier Cernik has said that in Moscow he made several "efficacious" proposals to the Soviets which will be publicly announced in the "next few days."

There are said to be differences of opinion among Czechoslovak leaders on dealing with the Soviets. Dubcek and Smrkovsky appear to favor a tough line, while Svoboda, Cernik, and Husak presumably prefer to make concessions in order to speed the withdrawal of occupation troops.

Pravda yesterday characterized events in Czech-oslovakia since January as a "quiet counterrevolution" and argued that it was every bit as dangerous as the more blatant counterrevolution in Hungary in 1956. Carrying the Hungarian precedent further, the paper said that Soviet intervention in 1956 "did not stunt the healthy development of socialist democracy," and "this process will also take place in Czechoslovakia."

How harshly Moscow intends to impose its will on Czechoslovakia is still unclear. One of the tasks assigned to Soviet troubleshooter Kuznetsov may have been to encourage some personnel changes.

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The US military attaché in Czechoslovakia reported on 10 September that the disposition of occupation troops was unchanged. The estimated 7,500 Soviet troops which gathered at Prague's Ruzyne airport last week were still encamped there on the morning of 10 September.

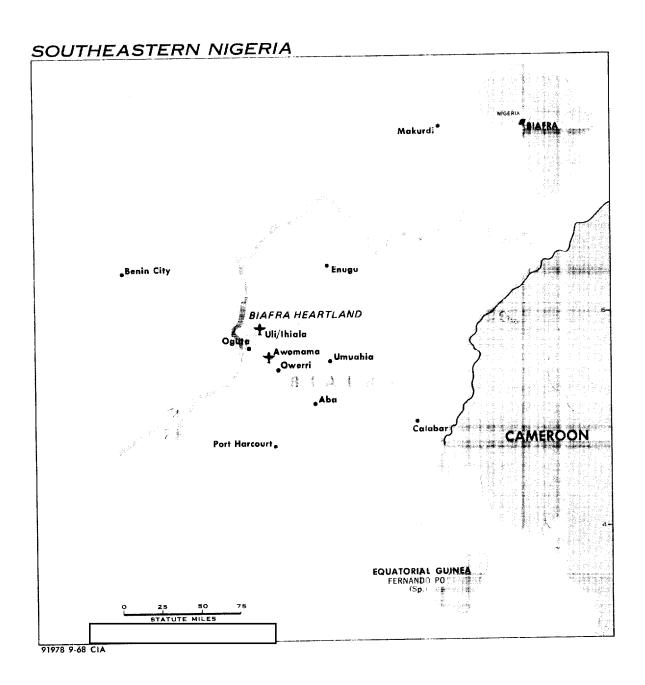
Alert measures are continuing in the Yugoslav Army, according to the US military attaché in Belgrade. The callup of individuals with special skills continues, and plans are under way to disperse television and radio facilities to permit clandestine operations in the event of an occupation.

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Nigeria: There has been little change in the military situation since federal troops captured Aba last week.

The federal commander in the southern sector reportedly plans to move on toward Umuahia, the Biafran capital and headquarters of Biafran leader Ojukwu. The Biafran forces apparently retired from Aba in good order and have dug in across the Aba River after blowing up the only bridge.

Elsewhere in the southern sector, federal troops are closing in on the river port of Oguta and the important town of Owerri. Two Biafran airstrips used for munitions imports lie within 10-15 miles of these advance elements.

Both sides have suffered heavy casualties in recent weeks as federal commanders have stepped up offensive operations in an attempt to complete the occupation of Biafra by the middle or end of September.

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The deadlocked peace negotiations between the two sides, which began in Addis Ababa, Ethiopia, in early August under the auspices of the Organization of African Unity (OAU), finally adjourned on 9 September. Emperor Haile Selassie tried hard to get at least an agreement on transporting relief supplies to Biafra's starving refugees.

When the Emperor reports on the failure of the talks to the summit meeting of the OAU, which begins in Algiers tomorrow, heated polemics are expected to ensue. Four OAU members have recognized Biafra and others are sympathetic, but most members strongly support Lagos' actions to halt Biafran secession. The Nigerian issue will be one of the most divisive the OAU has faced.

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Israel: A strong Israeli retaliatory strike against Egypt seems likely in the near future. The Israelis are provoked by two recent incidents along the canal. The Egyptians ambushed and killed three Israeli soldiers on the east bank of the canal on 26 August, and another ten Israeli soldiers were killed as a result of the five-hour artillery duel across the length of the canal on 8 September.

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Haiti: The Communist Party of Popular Accord is reportedly planning to mount another terrorist attack in central Haiti in the near future. If successful, this would be the fourth terrorist incident in this area in recent months. In mid-July unidentified terrorists shot and killed a member of the secret police, and in August groups of armed men attacked two military outposts.

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North Korea: Pyongyang is expanding its fishing fleet by obtaining ships from Free World countries. The first of four large fish processing ships being constructed in the Netherlands under a \$27.5-million contract concluded in 1967 is scheduled for completion early next year. Delivery of a second ship is expected in July 1969. The other two ships will be completed by early 1970.

This year North Korea has bought six large diesel engines from France, presumably for use by its fishing fleet. In July, a delegation was sent to Paris to discuss the purchase of a trawler and refrigerator ship. North Korea has also expressed an interest in obtaining fishing ships from Sweden and France.

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Cyprus: The intercommunal talks on the island have reached their first major stumbling block. The Greek Cypriot negotiator says that Turkish Cypriot proposals for local autonomy and representation in the national government are considerably harder than expected and will be unacceptable to the Greek Cypriot side. He said he will submit counterproposals within the next few weeks, but he sees little chance for agreement unless the Turkish Cypriots compromise on these issues.

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Turkey-USSR: Turkish officials are encountering problems with the seven industrial projects that were to have been built in Turkey with Soviet financial and technical help under a 1967 agreement. Two of the projects, a glass factory and a vodka distillery, were quietly dropped some time ago. A Turkish delegation is reportedly now in Moscow trying to get under way the most important of the projects, a steel mill at Iskenderun on the southeastern coast. Turkish officials fear, however, that this project will cost far more than originally estimated, and they are pessimistic about the chances of any of the remaining Soviet-assisted projects being finished on schedule.

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USSR-Ghana: Moscow again is providing Ghana with crude oil for its refinery at Tema. The contract calls for the supply, starting this month, of 700,000 tons of crude--only 130,000 tons short of the annual requirements of the refinery. During the past year a group of Western oil companies had supplied Ghana with crude oil at a loss, hoping to regain the supply position they had before the entry of Soviet crude in 1965. The current oil contract reflects Ghana's desire to utilize a \$15-million trade surplus resulting from large sales of cocoa to the USSR.

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